

# **Fiscal Services Division**

## **Legislative Services Agency**

### **Fiscal Note**

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SF 2217 – Client Unique Identifier (LSB 5026 AS)

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Fiscal Note Version – New – Amendment H 8563

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#### **Description**

Amendment H-8563 to Senate File 2217:

- Revises the existing Senate File language regarding use of the client identifier for mental health data.
- Requires the Department of Human Services (DHS) to disregard one motor vehicle per household when determining Medicaid eligibility.
- Allows the DHS to waive the initial 30-hour training requirement for foster parent licensees.
- Requires the DHS to establish an Electronic Health Records System Task Force.

The Amendment also establishes a new Preparation for Adult Living Services (PALS) Program for residents of the State who are age 18, 19, or 20, and, at the time of becoming age 18, were receiving foster care services that were paid for by the State, but are no longer receiving these services. Under the Program, the DHS will provide continued support for qualified young adults who develop and comply with a self-sufficiency plan and are either working toward the completion of a high school diploma or high school equivalency diploma; participating in a postsecondary educational or training program; or are employed or seeking employment. This may include, but is not limited to, support to allow a young adult to continue residing with the family that provided family foster care or for a supervised apartment living arrangement.

In addition, Amendment H-8563 to SF 2217 permits continued Medicaid coverage for young adults up to their 21<sup>st</sup> birthday for individuals who had been in foster care under the responsibility of the State on their 18<sup>th</sup> birthday regardless of participation in the PALS Program.

#### **Assumptions**

1. Participation in the Preparation for Adult Services (PALS) Program and continuation of Medicaid coverage for eligible young adults will be on a voluntary basis.
2. The basic daily foster care maintenance rate of \$23.90 per day will be paid for young adults whose eligibility for foster care is expanded. This will include 130 young adults in FY 2007, and 260 in FY 2008.
3. The State match rate for Medicaid will be an average of 37.6% in FY 2007 and an average of 38.5% in FY 2008.
4. The State share of Medicaid coverage will be an average of \$212 per month for 413 eligible young adults in FY 2007, and an average of \$217 per month for 826 young adults in FY 2008.

#### **Fiscal Impact**

The estimated cost of Amendment H-8563 to Senate File 2217 is a total increase in General Fund expenditures of \$2.2 million in Child Welfare and Medicaid expenditures for the DHS beginning in FY 2007. The cost increases to \$4.4 million in FY 2008. The total costs are summarized in the Table below.

	<u>FY 2007</u>	<u>FY 2008</u>
Child Welfare - PALS	\$1,120,000	\$2,240,000
State Medicaid Share	1,050,000	2,155,000
	<u>\$2,170,000</u>	<u>\$4,395,000</u>

House File 2734 (FY 2007 Health and Human Services Appropriations Bill) currently provides an increase of \$854,012 in the Child and Family Services appropriation for implementation of the PALS Program, as well as an increase of \$789,765 in the Medicaid appropriation for continued coverage of this population. The amounts provided in the Bill are not annualized since a delay in full implementation is expected. House File 2734 has not yet been enacted.

**Source**

Department of Human Services

/s/ Holly M. Lyons

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April 20, 2006

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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